

Samuel Castor, Esq.
Nevada Bar No. 11532
SWITCH, LTD.
7135 S. Decatur Blvd.
Las Vegas, Nevada 89118

F. Christopher Austin, Esq.
Nevada Bar No. 6559
caustin@weidemiller.com
Ryan Gile, Esq.
Nevada Bar No. 8807
rgile@weidemiller.com
WEIDE & MILLER, LTD.
10655 Park Run Drive, Suite 100
Las Vegas, NV 89144
Tel: (702) 382-4804
Fax: (702) 382-4805

Attorneys for Plaintiff SWITCH, LTD.

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SWITCH, LTD. a Nevada limited liability
company,

Plaintiff,

vs.

STEPHEN FAIRFAX; MTECHNOLOGY; and
DOES 1 through 10; ROE ENTITIES 11 through
20, inclusive,

Defendants.

Case No.: 2:17-cv-02651-GMN-VCF

**PLAINTIFF'S REPLY IN SUPPORT
OF MOTION FOR PRELIMINARY
INJUNCTION**

Switch, Ltd. ("Switch") hereby files its "Reply" in support of its Motion for a Preliminary Injunction (ECF 7 or "Motion").

I. INTRODUCTION

Switch brought this action against Defendants after learning that Defendants had advised and consulted with Aligned Data Centers, LLC ("Aligned") in the construction and operation of data centers employing and infringing Switch's proprietary technology. (ECF 1-1 ("Complaint") at 1-2; Castor Declaration, attached hereto as Exhibit 1, at ¶ 2.) Defendants, having worked with Switch on behalf of a mutual client, were given extraordinary access to "all of Switch's designs,

1 including extremely sensitive trade secret information and documentation, plans, schematics, and
2 blueprints, operational schedules, and trade secrets” (*id.* at ¶ 31) under agreements not to ever
3 disclose the same (ECF 1-1, Exhibit 1 at 27, “2011 NDA” and Exhibit 4 at 36, “2015 NDA”;
4 Castor Decl. at ¶ 4) and assurances that Defendants would not engage in the design and
5 construction of data centers. (*Id.* at ¶¶ 28-40, Exhibits 1 and 4 (the “NDAs”).) In designing and
6 consulting in the design of Aligned’s data centers, Defendants wrongfully disclosed Switch’s
7 confidential information and trade secrets. (*Id.*)

8 In opposition to the Motion, Defendants argue: (1) that Plaintiff will not likely prevail on
9 all of the claims set forth in its Complaint, (2) that Plaintiff has not demonstrated likely irreparable
10 harm, (3) that because Defendants believe the proposed injunction would close Defendants’
11 business, it would disproportionately harm Defendants; and (4) that the public interest would not
12 favor an alleged unwarranted injunction.

13 As set forth in Plaintiff’s Opposition to Defendants Motion to Dismiss (incorporated
14 herein), Switch is likely to prevail on the claims asserted in its Motion. (*See* ECF 16.) The Motion
15 was “brought under Switch’s claims for breach of contract, violation of the Defend Trade Secrets
16 Act of 2016, and Misappropriation of Trade Secrets under N.R.S. 600A.” (ECF 7 at 3.) In
17 contravention of the NDAs signed by Defendants, Fairfax personally promoted Defendants “blank
18 page stage” involvement in the design of Aligned’s data centers, incorporating Plaintiff’s trade
19 secret protected technology. (*Id.*) Contrary to the allegations of Defendants, Switch does not rely
20 on a mere presumption of irreparable harm but demonstrates the loss if its trade secrets have
21 already caused damage to its good will and cost it customers. Finally, the balance of harms and
22 public interest both favor Plaintiff. Switch is not trying to close Defendants’ business. The
23 requested injunction is very narrow; it “would have little or no impact on Defendants’ lawful and
24 existing business” of data center risk assessment. (*Id.* at 13.) It would merely enjoin involvement
25 in the design of data centers and the disclosure of promotional materials touting such design
26 services.

27 ///

II. STATEMENT OF RELEVANT FACTS

A. Switch Has Unique Data Center Technologies and Trade Secrets.

Data centers are the heart of the internet. As technology has become increasingly integral to our daily lives, the need for data centers (particularly, efficient and reliable data centers) has increased, exponentially.¹

Switch is a Nevada limited liability company organized and existing under the laws of the State of Nevada. Switch is a Las Vegas-based company that designs, constructs, and operates the world's most powerful telecommunication offerings, data centers and service technology ecosystems. Switch's facilities sustainably power, cool, and protect the physical infrastructure and networks necessary to run the Internet.

In addition to being well-known for its innovative technologies and confidential approach to its services, Switch is also recognized for providing military grade physical security to protect its customers and Switch's intellectual property. All visitors to Switch's facilities must first sign non-disclosure agreements and agree to comply with Switch's security protocols. This high degree of physical security and constant presence of security personnel allows Switch to limit access to its trade secrets, patent-pending technologies, confidential designs and protocols, and to preserve the integrity of its mission critical operations that power the Internet.

B. Unprecedented Trade Secret Disclosures to Fairfax.

On or about May 2011 and again on August 2015, Switch permitted Stephen Fairfax to conduct an in-depth investigation of Switch's facilities. (Castor Decl. at ¶ 3.) Switch gave Fairfax special access to Switch's confidential and trade secret information to conduct a thorough audit and assessment of Switch's technologies for the benefit of a Switch customer, eBay, who requested Fairfax perform the audit. (See Mar. 30, 2011, Email chain, attached as Exhibit B to ECF 16.) eBay specifically requested Fairfax be given unprecedented access in order to perform a "complete fault tree analysis". (*Id.* at 8). To perform this analysis, Switch was asked to disclose comprehensive information regarding "both the Mech[anical] and Elec[trical] one lines" to Fairfax

¹ See <http://www.greenpeace.org/international/en/publications/Campaign-reports/Climate-Reports/climbing-clean-2017/>. See also <http://datacenterfrontier.com/top-10-cloud-campuses/>.

1 and his team. (*Id.*) The “one lines” reveal the electrical and mechanical plans and schematic for
 2 the entire data center and are known and recognized in the industry as some of the most critical
 3 trade secrets. (Declaration of Samuel Castor, attached as Exhibit A to ECF 16 at ¶ 5). While
 4 Switch was ultimately willing to provide the unprecedented comprehensive access requested, it
 5 was not willing to permit recording or the removal of any documents or copies of such disclosures
 6 to leave its facility. (*Id.* at ¶6.) Fairfax noted that these security protocols were not a problem as
 7 he could “work from [his] memory.” (*Id.*, Exh. B at 3.)

8 Mr. Fairfax understood that no one was permitted access to a Switch data center without
 9 first signing a nondisclosure agreement. (*See id.* at 2.) There was no discussion limiting this
 10 requirement to the corporate entities represented or excluding individuals. (*Id.*, Exh. A at ¶ 7-8.)
 11 It was always expressly stated and understood by the Switch and Fairfax that Fairfax and MTech
 12 were to be bound by the NDAs. (*Id.*) Thus, as a necessary precondition to Switch’s
 13 unprecedented disclosure of highly confidential information, Mr. Fairfax, individually and on
 14 behalf of MTech executed the 2011 NDA and the 2015 NDA (*see* NDAs), and also confirmed
 15 neither would engage in the designing or building of a data center. (ECF 1-1, Exh. 3.)

16 Unbeknownst to Switch, Fairfax was hired in 2013 by Aligned, a provider of new data
 17 centers in Arizona and Phoenix, at or around the same time he reassured Switch he had “no interest
 18 in building and operating data centers.” Roughly twelve (12) months thereafter, Fairfax
 19 personally and publicly started promoting his integral involvement in designing Aligned’s
 20 facilities “while the paper was literally still blank.” (ECF 1-1, fn. 11, 12.)

21 **III. MOTION FOR PRELIMINARY INJUNCTION SHOULD BE GRANTED**

22 As set forth in the Motion, under *Winter v. Natural Resources Defense Council, Inc.*, 555
 23 U.S. 7, 20 (2008), Plaintiff meets the traditional four- factor test for a preliminary injunciton: (i)
 24 Plaintiff is likely to succeed on the merits of the relevant claims, (ii) Plaintiff demonstrates it is
 25 likely to suffer irreparable harm, (iii) the balance of equities favor Plaintiff, and (iv) an injunction
 26 is in the public interest.

27 **A. Switch is Likely to Succeed on the Merits of the Relevant Claims.**

28 Contrary to the representations of Defendants in their Opposition, Plaintiff clearly

1 identified the “relevant claims” in its Motion as follows: “This Motion is brought under Switch’s
2 claims for breach of contract, violation of the Defend Trade Secrets Act of 2016, and
3 Misappropriation of Trade Secrets under N.R.S. 600A.” Switch did not bring the Motion under
4 its tort claims.

5 Defendants incorporated their Motion to Dismiss in support of their arguments that: (1)
6 Plaintiff is unlikely to succeed on its misappropriation of trade secrets claims because the claims
7 are premised on the disclosure of information that was the subject of published patents, rendering
8 the information public and no longer a trade secret, and (2) that the breach of contract claims
9 similarly fail for lack of a protectable trade secret and do not apply to Fairfax, as Defendants
10 allege the NDAs were only binding on MTech.

11 ***1. Switch is likely to prevail on its misappropriation claims.***

12 As set forth in Plaintiff’s Opposition to the Motion to Dismiss, which is fully incorporated
13 by reference herein, none of the trade secret claims are premised on the disclosure of information
14 that was the subject of published patents. Rather, the misappropriation claims were based on the
15 extensive and comprehensive information disclosed to Defendants, specifically including the
16 following trade secrets:

- 17 • “Electrical and mechanical ‘one-lines’” (*Complaint* at ¶11);
- 18 • “Operational routines” (*id.* at ¶19);
- 19 • “electrical designs” (*id.*);
- 20 • “hot aisle containment technology” not covered by published patents (*id.*);
- 21 • “cooling and power redundancy designs” (*id.* at ¶23);
- 22 • “trade secrets [that] have allowed Switch to provide power to all of its clients,
23 without interruption, for over 15 years” (*id.*);
- 24 • “trade secrets [that] allow Switch to achieve a best monthly average power
25 usage effectiveness below 1.1 PUE” (*id.* at ¶24);
- 26 • Patent pending claims that were unpublished during the pendency of the patent
27 application process (*Id.* at ¶16);
- 28 • Methodology to “deploy up to 50 kilowatts of power per cabinet” without
overheating (*id.* at ¶25-26);

- Methodology to deliver “10-times the amount of power otherwise delivered to a competitor’s environment without overheating” (*id.* at ¶27);
- Systems to provide “100% power delivery and steady temperature control” (*id.*);
- “all of Switch’s designs” (*id.* at ¶31);
- “extremely sensitive . . . documentation, plans, schematics, and blueprints” (*id.*);
- “operational schedules” (*id.*);
- “the physical infrastructure and layout of the Switch facility” (*id.* ¶¶42, 57);
- “the cabinet layout and configuration” (*id.*);
- “novel cooling designs [not covered by published patents]” and “associated cooling systems” (*id.*);
- “the electrical configuration and pathways” (*id.*);
- “the interplay of various Switch technology and components” (*id.*);
- “operations of the data center unique to Switch” (*id.*)

To prevail on its misappropriation of trade secrets claims under Defend Trade Secrets Act of 2016, and NRS 600A., Plaintiff must show (i) misappropriation through use or disclosure of (2) a valuable trade secret, (3) in violation of an express or implied contract or duty not to disclose. 18 USC § 1839; NRS 600A. Contrary to the representations of Defendants, both the federal statute and NRS 600A permit an injunction to remain in place even after a trade secret is made public “to eliminate commercial or other advantage that otherwise would be derived from the misappropriation.” NRS 600A.040(1.).

As set forth in the Motion and the Complaint, Defendants were essentially given the “keys to the kingdom” at the request of a non-party client under express and implied covenants not to disclose the information revealed. Defendants now conveniently claim that because some of the information they received has now been disclosed in published patent claims, they cannot be liable for having disclosed it earlier before it was ever in the public domain. This argument fails for two reasons: (i) the information disclosed was far broader than small portion able to secure patent protection, and (ii) the test is not whether the information is now a trade secret but whether it was

1 a trade secret at the time of disclosure.

2 As to the second argument, Defendants acknowledge that Plaintiff had at least one patent
3 pending at the time Defendants were retained by Aligned to help Aligned design its data center.
4 Defendants argue they were not involved in the designing of the data center, but recorded videos
5 claiming to have been involved in the design of the data center at the “blank page” stage of
6 development. As Defendants’ purported business is in auditing data centers based on an actual
7 existing design, Defendants could not have been engaged in performing a risk assessment of a
8 non-existent design, which would necessarily have been the case in order for them to have been
9 involved at “literally” at the “blank page” stage of development. Defendants statement is,
10 therefore, an admission that in contravention of their representation to Plaintiff that they would
11 not design data centers and in violation of the NDAs, they were involved in the design of
12 Aligned’s data centers.

13 That Defendants disclosed Plaintiff’s trade secrets is evidenced by Aligned’s infringing
14 conduct in building a data center that copies the trade secrets as well as the patent claims of
15 Switch. That *some* of the patent claim information is now public does not relieve Defendants of
16 their duty to maintain the trade secrets while they were confidential as well as the trade secrets
17 that are still confidential. Defendants unlawful disclosures to Aligned permitted Aligned to build
18 a data center based on Switch’s proprietary technology—including pending patent claims--*before*
19 such claims were public. The construction, therefore, of Aligned’s infringing data center prior to
20 the public disclosure of patent claims infringed thereby coupled with the admissions by
21 Defendants that they were hired at the “blank page” stage to help Aligned design its data centers
22 is enough to show a likelihood of success on the merits and warrant a preliminary injunction.

23 With regard to the first argument above, pending patent claims were not all that was
24 revealed or disclosed to Defendants. They were given a comprehensive assessment of how the
25 small subset of proprietary information protectable by patents integrated with the far, far larger
26 set of confidential information, including the suite of Switch’s proprietary technology involved
27 in Switch’s lauded data centers. That these trade secrets too were disclosed is revealed by the
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1 integration of these technologies in Aligned's data centers immediately after retaining Defendants
2 to help design such data centers. Defendants misappropriated, through disclosure to Aligned,
3 Plaintiff's valuable trade secrets when they had both an express and an implied duty not to do so.
4 Plaintiff is likely to prevail on the merits of its misappropriation claims.

5 **2. Switch is likely to prevail on its contract claims.**

6 Defendant MTech's only argument against the breach of contract claim is that it could not
7 have breached any disclosure requirements because the information it received, having
8 subsequently been the subject of issued Switch patent claims, no longer qualifies for trade secret
9 protection. In other words, Defendant MTech admits is it bound by the NDAs, but wholly relies
10 on Defendants arguments against Switch's likelihood of success on its misappropriation claims
11 to defend itself against the breach of contract claims brought against it. Thus, as to any breach of
12 contract defense based on whether the information disclosed in breach of the NDAs qualifies for
13 trade secret protection, a showing by Plaintiff that it will likely succeed on the merits of its
14 misappropriation claims automatically defeats such a breach of contract defense.

15 As he did in Defendants' Motion to Dismiss, Defendant Fairfax claims he is not bound by
16 the NDAs because he claims he signed them only on behalf of MTech. In response, Plaintiff
17 reasserts its arguments in Opposition to the Motion to Dismiss that Fairfax is bound by the NDAs,
18 and particularly by the 2011 NDA, because (i) he signed them as the identified "Recipient," (ii)
19 the NDA terms require any officer or employee of a company so bound to equally be bound by
20 the NDAs, and (iii) because Fairfax was an intended beneficiary of the NDAs. (ECF 16 at 10-12.)

21 At a minimum Defendant MTech admits it is and remains bound by the NDAs. The same
22 facts that support Plaintiff's claim that it will likely succeed on the merits of its misappropriation
23 claims support its breach of contract claims. Thus, should the Court concur that Plaintiffs are
24 likely to prevail on their claims for misappropriation of trade secrets, axiomatically, Plaintiffs will
25 also have shown a likelihood of success as to their breach of contract claims against MTech. And,
26 because all of the confidential information MTech received was through the person of Fairfax,
27 any injunction against MTech engaging in data center design or disclosing such information must
28

1 necessarily enjoin Fairfax.

2 **B. Switch Has Suffered and is Likely to Continue to Suffer Irreparable Harm**
 3 **Warranting the Requested Injunction.**

4 In their Opposition, Defendants rely upon this Court's holding in *V'Guara, Inc. v. Dec*,
 5 925 F. Supp. 2d 1120 (D. Nev. 2013), and *Bartech Sys. Int'l, Inc. v. Mobile Simple Solutions, Inc.*,
 6 2016 U.S. Dist. LEXIS 68030 at *9 (D. Nev. May 24, 2016) to correctly point out that there is no
 7 longer a presumption of irreparable harm in trade secret misappropriation cases. Plaintiff
 8 concurs.² Nevertheless, as held in both the *V'Guara* case and the *Bartech* matter, Plaintiff meets
 9 the showing required to demonstrate a likelihood of irreparable harm in a trade secret
 10 misappropriation case. In the *V'Guara* and the *Bartech* cases, this Court found the movant had
 11 adequately demonstrated a likelihood of irreparable injury.

12 V'Guara, Inc., moved for an injunction after learning that its secret formulation for a
 13 flavored vodka had been misappropriated. After declining to apply the presumption of irreparable
 14 harm to a misappropriation of trade secrets matter, the Court found as follows:

15 Even without this presumption, the Court finds that Plaintiff will
 16 likely suffer irreparable harm without the requested temporary
 17 restraining order. Specifically, "[p]ublic disclosure of a trade secret
 18 destroys the information's status as a trade secret." *Saini v. Int'l*
 19 *Game Tech.*, 434 F. Supp. 2d 913, 919 (D. Nev. 2006). Such
 20 destruction causes irreparable harm to the trade secret owner "by
 21 both depriving him of a property interest and by allowing his
 22 competitors to reproduce his work without an equivalent investment
 23 of time and money." *Id.* (citations omitted). Such harms are unlikely
 24 to be adequately redressed by monetary damages.

25 V'Guara, at 1126. On finding that V'Guara had "invested several years and hundreds of
 26 thousands of dollars in the development, manufacturing, marketing and distribution of its Gurana
 27 [sic] Vodka", *id.*, this Court found:

28 As such, Plaintiff would likely suffer irreparable injury because
 disclosure of Plaintiff's secret formulation would allow its

² Plaintiff accordingly acknowledges that these references to cases in support of a presumption in its Motions were in error: *EchoMail, Inc. v. Am. Express Co.*, 378 F. Supp. 2d 1, 4 (D. Mass. 2005); *Storage Tech. Corp. v. Custom Hardware Eng'g & Consulting, Inc.*, 2004 WL 1497688 (D. Mass. 2004); *FMC Corp v. Taiwan Tainan Giant Indus. Co., Ltd.*, 730 F.2d 61, 63 (2nd Cir. 1984); *Donald McElroy, Inc. v. Delany*, 389 N.E.2d 1300, 1308 (1st Dist. 1979). (Motion at 11.)

competitors to reproduce its work without investing equal amounts of time and money.

Id.

Here “Switch has been designing, constructing, and operating data centers since early 2000” (ECF 1-1, Exh. 5), and has not mererly invested hundreds of thousands of dollars in the development of its suite of trade secrets, but millions. (Castor Decl. at ¶ 6-7.) Moreover, Aligned, as a direct competitor of Switch, is actively promoting as its own designs the trade secreted designs of Switch and is touting Fairfax’s expertise in the construction of its data centers to attract and sell its services to potential clients of Switch. (*Id.* at ¶ 9-13.) These activities have already impacted Switch’s current business negotiations with significant clients, and will continue to do so. (*Id.* at ¶ 14.)

In fact, potential Switch clients have insisted that Aligned’s facility are identical to Switch’s. (*Id.* at ¶ 11; *see also* Statement of Switch Facility Tour Guest, dtd. Aug. 7, 2017, attached hereto as Exhibit 2 (noting the Arizon data center, which was understood as a reference to Aligned’s data center in Arizona, “looked just like Switch in its caging and cooling”).), As noted in the Declaration of Switch inhouse counsel, the reference to “caging and cooling” was understood in context to be a reference to Switch’s “proprietary hot aisle containment technology known as TSCIF.” (Exhibit 2; *Id.* at ¶ 9-13.) As set forth herein, therefore, the disclosure of Switch’s trade secrets destroys their value and causes irreparable harm to Switch “by both depriving [Switch] of the unique property interest and good will engendered thereby and by allowing [] competitors to reproduce [Switch’s] work without an equivalent investment of time and money.” *See e.g. V’Guara* at 1126.

Similarly, the plaintiff in the *Bartech* case alleged misappropriation of its trade secrets by defendant in the devopment of defendant’s competing software product for use in managing hotel minibars. *Bartech Sys. Int’l, Inc.*, at *9. Upon a showing that the defendant was “competing for Bartech’s existing customers” with a product allegedly incorporating Bartech’s trade secrets, “the Court accordingly [found] that Bartech [had] presented sufficient evidence to demonstrate a likelihood of irreparable harm in the form of lost customers, diminished consumer goodwill, and

1 reputational harm.” *Id.* at 15.

2 The same is true in the instant case. While Defendants are not direct competitors of
3 Switch, Aligned is. (Castor Decl. at ¶ Aligned is seeking the same national customers Switch
4 solicits and is using and touting the technology it obtained from Defendants in order to do so.
5 (Castor Decl. at ¶ 9.) Thus, in facilitating Aligned’s acquisition of Plaintiff’s trade secrets,
6 Defendants, unless enjoined, are providing a direct competitor, with products incorporating
7 Plaintiff’s trade secrets, destroying their value to Switch, and diminishing Plaintiff’s reputation
8 and good will vis-à-vis competitors in the industry. (*Id.* at 8-14.) This too is sufficient to
9 demonstrate a likelihood of irreparable harm.

10 **C. The Balance of Harms and Public Interest Favor Plaintiff.**

11 As discussed, *infra*, Defendant’s entire argument in support of its allegation that they
12 would be harmed by the requested injunction is based on the strawman argument that the injunction
13 would prevent Defendants from continuing to provide data center risk assessments. (ECF 12 at
14 17.) Not so. As expressly stated in the Motion, the injunction merely requires Defendant not to
15 engage in data center design and not to further disclose Switch’s trade secrets. Thus, far from
16 preventing Defendants from performing risk assessment work, the injunction would restore the
17 *status quo ante* in which that was all Defendants were doing. Defendants, therefore, are not
18 harmed at all by the requested injunction.

19 Similarly, because the requested injunction is proper and comports with the public interest
20 in preserving trade secrets for those who lawfully hold them, the public interest also favors the
21 requested injunction.

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1 **IV. CONCLUSION**

2 For the reasons set forth herein, Switch respectfully requests the Court grant its Motion
3 for Preliminary Injunction.

4 Dated: December 12, 2017

Respectfully Submitted,

5 /s/ F. Christopher Austin

6 F. Christopher Austin (NV Bar No. 6559)

7 caustin@weidemiller.com

8 Ryan Gile (NV Bar No. 8807)

9 rgile@weidemiller.com

10 **WEIDE & MILLER, LTD.**

11 10655 Park Run Drive, Suite 100

12 Las Vegas, NV 89144

13 Tel: 702-382-4804

14 Fax: 702-382-4805

15 *Attorneys for Plaintiff Switch, Ltd.*

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of WEIDE & MILLER, LTD. and that on December 13, 2017, I served a full, true and correct copy of the foregoing **PLAINTIFF'S REPLY IN SUPPORT OF MOTION FOR PRELIMINARY INJUNCTION** via CM-ECF to the addressees listed below:

Marc J. Randazza, Esq.
Ronald D. Green, Esq.
Alex J. Shepard, Esq.
Randazza Legal Group, PLLC
4035 S. El. Capitan Way
Las Vegas, NV 89147
702-420-2001
efc@randazza.com

*Attorneys for Defendants STEPHEN
FAIRFAX and MTECHNOLOGY*

/s/ F. Christopher Austin
An employee of Weide & Miller, Ltd.

EXHIBIT 1

EXHIBIT 1

Samuel Castor, Esq.
Nevada Bar No. 11532
SWITCH, LTD.
7135 S. Decatur Blvd.
Las Vegas, Nevada 89118

F. Christopher Austin, Esq.
Nevada Bar No. 6559
caustin@weidemiller.com
Ryan Gile, Esq.
Nevada Bar No. 8807
rgile@weidemiller.com
WEIDE & MILLER, LTD.
10655 Park Run Drive, Suite 100
Las Vegas, NV 89144
Tel: (702) 382-4804
Fax: (702) 382-4805

Attorneys for Plaintiff SWITCH, LTD.

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STEPHEN FAIRFAX; MTECHNOLOGY; and
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Defendants.

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**DECLARATION OF SAMUEL
CASTOR IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY INJUNCTION**

I, Samuel Castor, declare under penalty of perjury under the laws of the United States that the following is true and correct.

1. I am the Executive Vice President of Policy and Deputy General Counsel for Plaintiff Switch, LTD, in the above captioned matter. I am over the age of 21, under no disability, and am competent to testify to the matters contained in this declaration. I make this declaration in support of Switch's Motion for Preliminary Injunction ("Motion").

2. Switch brought this action against Defendants after learning that Defendants had advised and consulted with Aligned Data Centers, LLC ("Aligned") in the construction and

operation of data centers employing and infringing Switch's proprietary technology.

3. I am informed and believe that on or about May 2011 and again in August 2015, Switch permitted Stephen Fairfax to conduct an in-depth investigation of Switch's facilities.

4. Defendants, having worked with Switch on behalf of a mutual client, eBay, were given extraordinary access to all of Switch's designs, including extremely sensitive trade secret information and documentation, plans, schematics, and blueprints, operational schedules, and trade secrets under non-disclosure agreements not to ever disclose the same.

5. Central to Switch's innovative technologies are founder Rob Roy's designs. Switch's novel technology and trade secrets has allowed Switch to build and operate its data centers dramatically more cost efficiently than its competitors.

6. I am informed and believe that included among these novel technologies and trade secrets are the following that we set forth in the Complaint in this matter:

- "Electrical and mechanical 'one-lines'" (*Complaint* at ¶11);
- "Operational routines" (*id.* at ¶19);
- "electrical designs" (*id.*);
- "hot aisle containment technology" not covered by published patents (*id.*);
- "cooling and power redundancy designs" (*id.* at ¶23);
- "trade secrets [that] have allowed Switch to provide power to all of its clients, without interruption, for over 15 years" (*id.*);
- "trade secrets [that] allow Switch to achieve a best monthly average power usage effectiveness below 1.1 PUE" (*id.* at ¶24);
- Patent pending claims that were unpublished during the pendency of the patent application process (*Id.* at ¶16);
- Methodology to "deploy up to 50 kilowatts of power per cabinet" without overheating (*id.* at ¶25-26);
- Methodology to deliver "10-times the amount of power otherwise delivered to a competitor's environment without overheating" (*id.* at ¶27);
- Systems to provide "100% power delivery and steady temperature control" (*id.*);
- "all of Switch's designs" (*id.* at ¶31);

- 1 • “extremely sensitive . . . documentation, plans, schematics, and blueprints”
- 2 (*id.*);
- 3 • “operational schedules” (*id.*);
- 4 • “the physical infrastructure and layout of the Switch facility” (*id.* ¶¶42, 57);
- 5 • “the cabinet layout and configuration” (*id.*);
- 6 • “novel cooling designs [not covered by published patents]” and “associated
- 7 cooling systems” (*id.*);
- 8 • “the electrical configuration and pathways” (*id.*);
- 9 • “the interplay of various Switch technology and components” (*id.*);
- 10 • “operations of the data center unique to Switch” (*id.*)

11 7. The creation and development of these trade secrets over the past decade together
 12 with the manner in which they are incorporated as part of the overall design and operation of
 13 Switch’s data centers cost Switch and its investors millions of dollars and countless thousands
 14 of hours of work and innovation.

15 8. As acknowledged by third parties that have assessed Switch’s data centers as
 16 superior to those built by Apple, Google, Facebook, Amazon, Microsoft, and other technology
 17 giants (*see* [http://www.greenpeace.org/international/en/publications/Campaign-reports/Climate-](http://www.greenpeace.org/international/en/publications/Campaign-reports/Climate-Reports/clicking-clean-2017/)
 18 [Reports/clicking-clean-2017/](http://datacenterfrontier.com/top-10-cloud-campuses/); *see also* <http://datacenterfrontier.com/top-10-cloud-campuses/>),
 19 the interaction, integration and use of these trade secrets have set Switch apart and above its peers
 20 as a leader in the data colocation industry.

21 9. Aligned is a direct competitor of Switch. Both companies seek the same national
 22 clients for their services, and it is not uncommon for such national clients to visit several different
 23 data center providers in different states before entering into a contract.

24 10. This is evidenced by the August 7, 2017, “Statement of [Redacted] Tour Guest”, a
 25 true and correct copy of which is attached to the Reply in Support of Plaintiff’s Motion for
 26 Preliminary Injunction as Exhibit 2. That statement from a Switch security manager, reports that
 27 a national potential Switch client not only visited Switch’s data center in Reno but had also visited
 28 an Arizona data center as a potential colocation data center cite.

1 11. That potential client then noted that the data center in Arizona “looked just like
2 Switch in its caging and cooling”. The security manager understood the caging and cooling
3 reference as a comparison to Switch’s “proprietary hot aisle containment technology known as
4 TSCIF.”

5 12. As part of my job duties I make it a practice to be aware of any competing data
6 centers employing any technology similar to or employing elements of Switch’s “hot aisle
7 containment technology.” The only facility of which I am aware in Arizona that has “caging and
8 cooling” that would look “just like Switch” is Align’s Arizona data center.

9 13. This is because, as set forth in the Complaint and the Motion, Aligned’s data
10 centers copy Switch’s designs and incorporate Switch’s trade secrets.

11 14. In addition, as a direct competitor of Switch, Aligned is actively promoting as its
12 own designs the trade secreted designs of Switch and is touting Fairfax’s expertise in the
13 construction of its data centers to attract and sell its services to potential clients of Switch.

14 15. These activities have already impacted Switch’s current business negotiations with
15 significant clients, and will continue to do so.

16 Dated: December 12, 2017

17 /s/ Sam Castor
 Samuel Castor

EXHIBIT 2

EXHIBIT 2

Date: August 7, 2017

To: File

From: Mark Crosby

Re: Statement of Uber Security Tour Guest

On the afternoon of Thursday, August 3rd, 2017, Switch Security Manager Michael Smith and I, conducted a security tour for two Uber employees, Steven Lacy, and Reynaldo Perez as part of an assessment project of potential data centers in consideration for colocation services. After the tour, one of the tour guests, Steven Lacy, commented to me that he had visited another data center in Arizona as part of his company's assessment project. He said the Arizona data center looked just like Switch in its caging and cooling. The conversation at that point was brief, as the guest was departing the Tahoe-Reno 1 facility. I did not have the opportunity to probe the comment further at that time.

My impression was that he was referring to our proprietary hot aisle containment technology known as TSCIF, and our proprietary cooling systems. The following morning, August 4th, 2017, I contacted Chief Security Officer, Joe McDonald to advise him of this comment. I was directed to contact in-house counsel and inform them of the conversation.